

Montana Department of Public Health & Human Services	Policy
	MT CACFP 1996-19 Rev 3
	Section: All Institutions
Child and Adult Care Food Program	Subject: Audit Reimbursement Grant
	Date Revised: 1/30/09

AUDIT REIMBURSEMENT GRANT

All requirements of this policy must be met to receive an audit reimbursement grant.

All institutions participating in the CACFP and receiving \$500,000 or more in total federal awards each year must be required to have an audit in accordance with the *accounting, cost principles and audit* section of the contractual agreement for CACFP participation.

Prior to beginning an audit, the institution must:

1. Complete and return the annual audit questionnaire and grant application.
2. Submit a copy of the audit proposal.
3. Submit a request for partial reimbursement of audit expenses. Reimbursement is contingent upon availability of funds.
4. Obtain prior written approval from the Montana CACFP to have the audit performed.

For all institutions spending \$500,000 or more in total federal funds, the State agency (SA) will pay 67% of the actual direct cost of auditing the CACFP. The SA will check the auditing firm's eligibility to conduct the audit using the web based "Excluded Parties" list. Audit reimbursement will not be paid to those institutions that are not required to have an audit. Detailed documentation (time sheets and/or personnel activity reports) of the auditor's actual, not estimated, time and expenses for the CACFP portion of the audit performed and corresponding expenses must be submitted to the SA for reimbursement to be paid. The auditor must separate out any time and cost for preparing the 990 IRS form on the invoice. This is in addition to an invoice on institution letterhead requesting audit reimbursement.

The SA must receive two copies of the audit within 30 days after the audit is completed and no later than nine (9) months from the end of the fiscal year audited. The SA will not receive audits in electronic format – hard copies must be provided. The SA will reimburse the CACFP portion of the audit expense if the audit is required and the audit, audit documentation, and audit completion timing fall within the parameters of this policy. All CACFP institutions that have audits are required to submit two copies of the completed audit, including the "Letter to Management", to the SA regardless of CACFP reimbursement.

[REF. 7CFR 226.8(b); ARM 37.75.109]